REMARKS

The foregoing amendments are responsive to the August 30, 2007 Office Action. Applicant respectfully request reconsideration of the present application in view of the foregoing amendments and the following remarks.

Please charge any additional fees, including any fees for additional extension of time, or credit overpayment to Deposit Account No. 11-1410.

No Disclaimers or Disavowals

Although the present communication may include alterations to the application or claims, or characterizations of claim scope or referenced art, the Applicants are not conceding in this application that previously pending claims are not patentable over the cited references. Rather, any alterations or characterizations are being made to facilitate expeditious prosecution of this application. The Applicants reserve the right to pursue at a later date any previously pending or other broader or narrower claims that capture any subject matter supported by the present disclosure, including subject matter found to be specifically disclaimed herein or by any prior prosecution. Accordingly, reviewers of this or any parent, child or related prosecution history shall not reasonably infer that the Applicants have made any disclaimers or disavowals of any subject matter supported by the present application.

Co-Pending Applications of Assignee

Applicant wishes to draw the Examiner's attention to the following co-pending applications of the present application's assignee.

Serial Number	Title	Filed
11/104,290	Secure Messaging System	April 12, 2005
11/462,258	System and Method for User Identification and Authentication	August 8, 2006

Response to Objection of Claims 1 and 2

The Examiner objected Claims 1 and 2 because of informalities. Applicant has amended Claims 1 and 2 to correct the antecedent basis issues identified by the Examiner. Accordingly, Applicants request the Examiner to withdraw the objection to Claims 1 and 2.

Response to Rejection of Claim 1 Under 35 U.S.C. 103(a)

      The Examiner rejected Claim 1 under 35 U.S.C. 103(a) as being unpatentable over U.S. Patent No. 6,292,789 to Schutzer in view of Control Principles and Role Hierarchies by J.D. Moffett. The Examiner agrees that Schutzer does not teach, inter alia, signing of the payment authorization request using a second digital certificate, sending the signed payment authorization from the first party to the network transfer system. The Examiner cites Moffett for these and other limitation. Specifically, the Examiner points to page 67 of Moffett as teaching a second digital signature.

      Moffett does teach or suggest the claimed second digital signature. Moffett is very clear that he is describing a post transaction review conducted "at some later time." Moffett explicitly states that the "[r]eview is, of course, a post hoc activity which cannot stop the funds but could discover that some irregularity has occurred." Moffett does not teach or suggest signing the payment authorization request using a second digital certificate and sending the signed payment authorization request from the first party to the network transfer system electronically as claimed. Any signature in Moffett will only potentially catch problematic transactions after the fact, but will not protect a payment authorization request. Moffett explicitly states that the "[r]eview is, of course, a post hoc activity which cannot stop the funds but could discover that some irregularity has occurred."

      Regarding Claim 1, the cited prior art does not teach or suggest, a method for finalizing an electronic fund transfer that is matched to an invoice for payment to be made from a first party having a financial account at a first bank to a second party having a financial account at a second bank using a network transfer system that is in electronic communication with the first party, the second party, the first bank and the second bank, the method comprising: generating at the first party a document which authorizes the payment of the invoice; signing the document using a first digital certificate in accordance with the procedure of a certificate authority in electronic communication with the transfer network system; sending the signed digital document from the first party to the network transfer system electronically; authenticating via the certificate authority the authority of the signer of the signed document to assent to the payment of the invoice; storing a copy of the signed digital document in a database associated with the transfer network system; sending a copy of the signed payment authorization request to the first bank;

creating an electronic payment instruction verifying the transfer of funds out of the financial account of the first party at the first bank; sending this electronic payment instruction from the first bank to the transfer network system; forwarding the electronic payment instruction to the second bank; creating an electronic payment receipt verifying the transfer of funds into the financial account of the second party at the second bank; and sending the electronic payment receipt from the second bank to the transfer network system.

Accordingly, Applicants assert that Claim 1 is allowable over the prior art and Applicants request allowance of Claim 1.

Response to Rejection of Claim 2 Under 35 U.S.C 102(b)

The Examiner rejected Claim 2 under 35 U.S.C. 102(b) as being anticipated by U.S. Patent No. 5,465,206 to Hilt. The Examiner argues that the card reader 322 in Hilt corresponds to the validation server.

The card reader 322 is not an authentication server, rather the card reader is merely a device that provides data used for later authentication. The card reader 322 has no knowledge of either the account of the first client, the second client, or an account of the second client. Thus, the card reader 322 cannot function as a validation server configured to provide authentication of the identity of at lest one individual user of the first client having authority to assent to payment of funds from an account of the first client to an account of the second client.

Regarding Claim 2, the cited prior art does not teach or suggest a secure messaging system for supporting financial transactions with finality between a first client having an account at a first financial institution and a second client having an account at a second financial institution, the secure messaging system comprising: a transfer network system comprising a messaging server configured to send and receive messages from a communications medium and further comprising an audit database; a first client system connected to the transfer network system via the communications medium the first client system being associated with the first client; a second client system connected to the transfer network system via the communications medium, the second client system being associated with the second client; a validation server in communication with the transfer network system, the validation server configured to provide authentication of the identity of at least one individual user of the first client having authority to

assent to the payment of funds from an account of the first client to an account of the second client, a first financial institution client system connected to the transfer network system via the communications medium and associated with a first financial institution, the first financial institution having an account holding funds of the first client; a second financial institution client system connected to the transfer network system via the communications medium and associated with a second financial institution, the second financial institution having an account holding funds of the second client.

Accordingly, Applicants assert that Claim 2 is allowable over the prior art and Applicants request allowance of Claim 2.

Summary

Applicant respectfully asserts that Claims 1-2 are in condition for allowance, and Applicant request allowance of Claims 1-2. If there are any remaining issues that can be resolved by a telephone conference, the Examiner is invited to call the undersigned attorney at (949) 721-6305 or at the number listed below.

Respectfully submitted,

KNOBBE, MARTENS, OLSON & BEAR, LLP

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